

Montana K-12 School Choice Survey, June 19, 2012
Pages 13-14

Voters solidly support “tax-credit scholarships.” The percentage of those who favor (59% or 60%, depending on the question version) is more than double the number of people who say they oppose the policy (28% and 26%, respectively). No matter the wording of the question, we measure very positive reactions (+31 net and +34 net).

See Questions 13A, 13B, and 14

Based on our split-sample experiment results, it appears adding definition and context for voters does not affect the view of the average Montana voter.

In a follow-up and open-ended question, we asked for the reason why a respondent chose his/her view regarding tax-credit scholarships. Most frequently, he/she would say some combination of “choice,” “freedom,” or “flexibility,” and that the scholarship system was a “good idea.” Greater than 10% of voters stated either of these items.



ACE SCHOLARSHIPS – Montana 2012-13

Total Scholarships Awarded: 504
Total Partner Schools: 50 (13 different counties)
Total Scholarship \$ Awarded: \$930,514.00

All Students

Average family size = 4.4
Average Income = \$29,017

K-8 Students

Average K-8 Tuition = \$4,085.93
Average ACE Scholarship for K-8 = \$1,664.44
Average K-8 Family Contribution = \$1,507.35

High School Students

Average High School Tuition = \$6,300.59
Average ACE Scholarship for High School = \$2,662.13
Average High School Family Contribution = \$2,067.55

The latest participation rates (as a % of “eligible students”) for the States’ tax-credit scholarship programs.

STATE	NAME OF TAX CREDIT	YEARS IN EXISTENCE	PARTICIPATION %
Arizona	Personal Tax Credits for Tuition Organizations	16 school years	2.3%
Arizona	Corporate Tax Credits for Tuition Organizations	8 school years	0.6%
Arizona	Lexie's Law Corporate Tax Credits	5 school years	0.1%
Florida	Florida Tax Credit Scholarship	11 school years	7.2%
Georgia	Private School Tax Credit for Donations to SSOs	5 school years	0.6%
Indiana	School Scholarship Tax Credit	3 school years	0.4%
Iowa	School Tuition Organization Tax Credit	7 school years	3.6%
Louisiana	Tax Credit for Donations to School Tuition Organizations,	*NEW*	
New Hampshire	Corporate Education Tax Credit	*NEW*	
Oklahoma	Equal Opportunity Education Scholarships	*NEW*	
Pennsylvania	Educational Improvement Tax Credit	12 school years	4.0%
Pennsylvania,	Educational Opportunity Tax Credit	*NEW*	
Rhode Island	Tax Credits for Contributions to Scholarship Organizations	7 school years	0.5%
Virginia	Education Improvement Scholarships	*NEW*	

Source:

Paul DiPerna, Research Director for the Foundation for Educational Choice, based in Indianapolis, IN. He joined the foundation in September 2006. Paul’s research interests include surveys and polling on K-12 and school choice issues. He has developed and issued more than 15 state polls to date. Paul’s other responsibilities include managing and editing all research projects commissioned by the foundation.



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Dear Mr. Wagman:

Based on the data provided by Paul DiPerna about the take-up rate of public school students of tax credit scholarships in other states, there are two percentages to consider.

First, the median take-up rate for public school students is 0.6 percent. That is, 0.6 percent of public school students accept a tax credit scholarship and enroll in a private school in the following year.

Second, 0.4 percent—the take-up rate in Indiana. This is the lowest take-up rate for public school students of any state with a tax credit scholarship program.

Using the lower of these two figures, the state of Montana can expect that 0.4 percent of public school students would seek to enroll in a private school via a tax credit scholarship. Thus, if there are about 142,000 public school students in Montana, we should expect that 568 of them would accept a tax credit scholarship and enroll in a private school ($0.004 \times 142,000 = 568$). I believe this assumption is cautious given that I chose the lowest take-up rate in the nation.

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Senate Bill 81 Tax Replacement Program, Sponsor Senator Dave Lewis

Fiscal note states; Average Scholarship value \$2,875 and State spending per student \$4,248 Difference=\$1,373

If just 6 tenths of 1% of public school students take a scholarship the State will save 1.2 million

K-12 Public School population 142,239 $142,239 \times .6\% = 854 \text{ students} \times \$1,373 = \$1,172,542$

If 1% take a scholarship the State will save \$2 million, if 1.7% take a scholarship the savings \$3.3 million which would make the fiscal note fiscal neutral. In other words the savings from the scholarships would fund the charitable giving to public school grants.

If 5% of nonpublic students move to a public school because of the economy, Cost to State \$2.5 million

MT private and home school population 11,607 $11,607 \times 5\% = 580 \text{ students} \times \$4,248 = \$2,463,840$

Fiscal note states; the number of public students who would transfer to a private school are: 57 students 2015, 69 students 2016, 84 students 2017 and 105 students 2018 or an average of approximately 6 hundredths of 1% of the total Montana k-12 public school population.

The fiscal note states the cost of this tax replacement program at about 3.2 million annually on its face but let's look at the real cost. Enrollment data from OPI; Montana private schools for 2007-2008 at 8,707 students this enrollment was just prior to the start of the recession. The year 2011-2012 shows private school enrollment at 7,347. Montana Private Schools lost 1360 students or 15.6% of their student population since the start of the recession. The numbers for grades 9-12 they are virtually unchanged and home school numbers are almost constant. The movement in students was in grades K-8. I don't track private school enrollment by school but I do know St. Matt's in Kalispell had a 22% reduction in enrollment, St. Mary's in Livingston has historically been at around 100 students and is now about at 70 and the Montessori Island School in Livingston closed its grade school last spring.

Let's look at Montana Public school elementary enrollment for the same period 2007-2008 school year 96,428, 2011-2012 school year 99,725 an increase of 3,297 students. So since the start of the recession enrollment in private schools is declining and public school enrollment is increasing. The question is at what cost to the taxpayer and the state budget? Of the 1360 student decline in private school enrollment if only 1/3rd of them enrolled in a Montana public school the cost to the state budget would be about 2 million dollars. Look at Page 6, #17 \$4,248 per student and you can add on another \$2,000 per student in local property taxes. If all 1360 enrolled in a Montana Public school the cost is almost 6 million a year to the state budget and over 8 million a year to State and local taxpayers.

Fiscal Note: page 7 number 2, "School districts that have lower enrollments because students move to private schools will have lower costs, lower spending caps and reduced state funding." This statement is only true if the school experiences declining enrollment. Elementary Public school enrollment has increased by 1% this past year and 3.4% over the past 5 years.

What is the fiscal impact of 6 tenths of 1% of students leaving public schools?

- If the school district has increasing enrollment from the previous year the fiscal impact is zero.
- If the school district has declining enrollment from the previous year the fiscal impact is mitigated by the school funding formula's component of 3 year averaging.
- The first year the student is not enrolled the funding is based on the prior year enrollment and the school receives funding for the student even though he is not enrolled.
- The second year the district would average the enrollment count of the three prior years. Funding would drop for the departed student by 1/3rd only if total enrollment dropped overall. The same would apply for the 3rd year and 4th year.
- If enrollment increased in any of the years after a decrease funding would increase to the district. This is common, students and families are moving in and out of schools every year.
- The reason for three averaging is to allow districts to transition their budget for decreased enrollment.

Montana Office of Public Instruction
School Year 2007-08 Overview

Elementary Enrollment
The total elementary enrollment in Montana Schools is 96,428. Over the past ten years, enrollment has declined by an average of 1.4% a year.

High School Enrollment
High school enrollment has decreased by 4,036 students since 1999. The total high school enrollment is 46,502.

American Indian Percentage
American Indian students now comprise 11.4 percent of the total student population. At the elementary level they represent 12.0 percent of the population and at the high school level 10.2 percent. The total American Indian enrollment is 16,287; of that 11,542 is at the elementary level and 4,745 is at the high school level.

Nonpublic School Enrollment Data
Private and home school enrollment represented 8.2 percent of the reported 2007-08 K-12 enrollment in Montana. Home school enrollment increased by approximately 13 students and private school enrollment increased by approximately 217 students from last year. Overall, the nonpublic enrollment showed a increase of approximately 230 students from last year.

	Gr K-8	Gr 9-12	Total 2007-08
Private Schools	6,702	2,005	8,707
Home Schools	3,160	946	4,106
Total Nonpublic	9,862	2,951	12,813

Graduates
In 2007, 10,060 students graduated from Montana public and state-funded high schools. An additional 1,201, 16-19-year-old, Montanans obtained their GED's during that time.

School District Data	(Public and State-funded Districts)
K-12 districts	51
Combined districts (joint board)	105
Single districts (156 el, 4 hs)	160
State-funded districts	2
Nonoperating and annexed districts	9
Total District Administrative Units	327
School Data	(Public and State-funded Schools)
Elementary Schools	445
Middle, 7&8, High Schools	214
High Schools	171
Total Schools	830
Full-time Equivalent Certified Staff (FTE)	(Public, State-funded Schools, and Special Education CO-OPs)
Teachers - classroom, Title I, Special Ed	10,587
Education Specialists - library, guidance counselors, Etc	916
Principals, assistant principals	528
Superintendents, assistant superintendents	141
Other Administrative Staff	74
Licensed Professional Non Educators	268
Total Certified Staff	12,514
Paraprofessionals	2,097
Total Certified and Instructional Staff	14,611

**Montana Office of Public Instruction
School Year 2011-12 Overview**

Elementary Enrollment

The total elementary enrollment in Montana Schools is 99,725. Elementary enrollment increased 1.0% this past year and 3.4% in the past five years.

High School Enrollment

High school enrollment has decreased by 7,535 students since 2000. The total high school enrollment is 42,624.

American Indian Percentage

A change in the way Race and Ethnicity data is reported, went into effect for the 2010-11 school year. The new method uses a two part question to identify Hispanic ethnicity and race as two separate and district concepts. Additionally the change allows the reporting of multiple races. Due to these changes, American Indian students now comprise a lower percentage of enrollment than they had over the last few years. Overall American Indian students make up 11.6 percent of the total student population. At the elementary level they represent 12.4 percent of the population and at the high school level 9.8 percent.

Nonpublic School Enrollment Data

Private and home school enrollment represented 7.5 percent of the reported 2011-12 K-12 enrollment in Montana. Home school enrollment decreased by approximately 9 students and private school enrollment decreased by approximately 280 students from last year. Overall, the nonpublic enrollment showed a decrease of approximately 289 students from last year.

	Gr K-8	Gr 9-12	Total 2011-12
Private Schools	5,455	1,892	7,347
Home Schools	<u>3,199</u>	<u>1,061</u>	<u>4,260</u>
Total Nonpublic	8,654	2,953	11,607

School District Data	(Public and State-funded Districts)
K-12 districts	54
Combined districts (joint board)	102
Single districts (152 el, 4 hs)	156
State-funded districts	2
Nonoperating districts	3
Total District Administrative Units	317

School Data	(Public and State-funded Schools)
Elementary Schools	441
Middle, 7&8, Schools	214
High Schools	<u>171</u>
Total Schools	826

Full-time Equivalent Licensed Staff (FTE)	
(Public, State-funded Schools, and Special Education CO-OPs)	
Teachers - classroom, Title I, Special Ed	10,265
Education Specialists - library, guidance counselors, Etc	933
Principals, assistant principals	502
Superintendents, assistant superintendents	150
Other Administrative Staff	91
Licensed Professional Non Educators	<u>358</u>
Total Licensed Staff	12,299

Instructional Paraprofessionals	2,261
Total Licensed and Instructional Staff	<u>14,560</u>